



# CITY OF READING, PENNSYLVANIA

**THOMAS M. McMAHON**  
**MAYOR**

MAYORS OFFICE  
ROOM 2-33  
815 WASHINGTON STREET  
READING, PA 19601-3690  
(610) 655-6234

June 16, 2009

Brenda M. Laroche, Deputy Regional Director  
U. S. Department of Housing and Urban Development  
Philadelphia Office - The Wanamaker Building  
100 Penn Square East  
Philadelphia, PA 19107-3380

Re: Annual Community Assessment - City of Reading, Pennsylvania  
January 1, 2006 through December 31, 2008

Dear Brenda M. Laroche:

I am notifying you as specified in your June 8, 2009 correspondence that the City does not have any comment's regarding the January 1, 2006 through December 31, 2008 Annual Community Assessment.

The City will make the document available to the public by placing it on the City's official web site at <http://www.readingpa.gov/>.

Please contact Mr. Marty Mayes, Community Development Director, at 610-655-6211 if you have any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "T. McMahon", is written over a large, stylized, light-colored circular mark.

Thomas McMahon  
Mayor

Cc: Marty Mayes  
Neil Nemeth



FAX: (610) 655-6549 TDD: (610) 655-6442



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U.S. Department of Housing and Urban Development

Philadelphia Office  
The Wanamaker Building  
100 Penn Square East  
Philadelphia, Pennsylvania 19107-3380

The Honorable Thomas McMahon  
Mayor of Reading  
City Hall  
815 Washington Street  
Reading, PA 19601-3690

Dear Mayor McMahon:

SUBJECT: Annual Community Assessment  
City of Reading, Pennsylvania  
January 1, 2006 through December 31, 2008

The provisions of the Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require the annual submission of performance reports by grant recipients receiving Federal assistance through programs covered under these Acts. Additionally, these Acts require that a determination be made by the Secretary that the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received.

The Consolidated Plan regulations at 24 CFR 91.525 require this Department to evaluate and report to the public on a community's overall progress in the management of its program funds; compliance with the Consolidated Plan; the accuracy of performance reports; and the extent to which progress has been achieved toward the statutory goals identified in Section 91.1. This letter serves to apprise you of our assessment of City of Reading's overall progress.

In making our evaluation, we relied primarily upon the City's submission of the Consolidated Annual Performance and Evaluation Report (CAPER) for fiscal years 2006, 2007, with revisions, and 2008. These reports summarize accomplishments made with funds provided from the Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), and Emergency Shelter Grants (ESG) Programs. In addition, we took into account technical assistance; follow up conversations with the City's staff and the handling of citizen comments and complaints. This letter is a summary of our review of the City of Reading's overall performance.



As you know, under the update to the Part 91 Consolidated Planning regulations that came into effect March 13, 2006, all Annual Action Plans and Consolidated Annual Performance and Evaluation Reports (CAPER) are required to include Performance Measures as part of their annual reporting. The Office of Management and Budget (OMB) has deemed this information necessary to validate the continued funding of HUD programs. The City provided Performance Measures as required by the new guidance in the 2007 and 2008 program year reports.

The HUD timeliness requirement is that a community may have no more than 1.5 times their most recent annual grant remaining in the line of credit, 60-days prior to the end of their program year. When the 60-day timeliness test was conducted on November 2, 2008, the City had a balance in its Line-of-Credit of 1.05 times its 2008 grant, in compliance with the 1.5 timeliness standard.

During the 2008 program year, the City expended 84.17 percent of its CDBG funds for activities benefiting low/moderate income persons, which meets the Primary Objective of the Housing and Community Development Act of 1974. In addition, Reading obligated 13.31 percent of funds on public service activities, which meets the 15 percent regulatory cap. The City also obligated 8.68 percent of its funds on planning and administration, less than the 20 percent regulatory cap.

The City has met the HOME requirements for expenditure by committing all funds to projects within two years and expending funds within five years for all program years. The requirement to provide at least 15 percent of HOME funding to Community Housing Development Organizations has also been achieved. We also remind grantees that all HOME projects should be closed within 120 days of their final draw.

The City included in its CAPER their role in affirmatively furthering Fair Housing and identifying impediments to Fair Housing. The Office of Fair Housing has processed complaints alleging discrimination due to national origin, race, and/or disability. All complaints regarding any unlawful impediments are addressed through outreach and education, initiating and investigating complaints and providing the opportunity for remedy or recourse.

During program year 2006, the City of Reading's monitoring of a subrecipient identified deficiencies relating to the implementation of the Lead Based Paint Regulations. The final resolution, which ultimately did not occur until program year 2007, included the re-inspection of up to 100 rehabilitations and the testing of families. Technical assistance by our Office and the Office of Healthy Homes Representative was provided to revise contracts and insure the City and its subrecipients are in compliance with the regulations in the future.



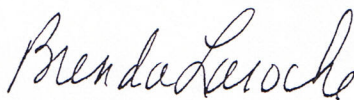
The City has been through a transition over the past three years. A new Director of the Community Planning and Development Division and, after a two year vacancy, a HOME Specialist, was hired. With the loss of staff, neither HOME nor ESG funded activities were being monitored. During the 2008 program year, this deficiency was rectified as the CAPER reported that subrecipients and rental projects have been monitored and found to be in compliance. To assist your staff, our Office has provided technical assistance, as well as the opportunity to attend formal training in the Integrated Disbursement Information System, Environmental regulations and the HOME Program to assure the success of the City's administration of the programs.

Based on our review we have concluded that the City of Reading has the capacity to carry out its programs and has met its reporting requirements.

We ask that you review our assessment of your performance and provide any comments that you may have within 35 days of the date of this letter. Upon receipt, we will evaluate your comments and make any revisions that are deemed appropriate. If you do not have any comments, we request that you formally notify us of that fact within the 35-day timeframe. Where no comments are received within the designated timeframe, our initial letter will serve as our final assessment of the City's performance for this program year. To facilitate and expedite citizen access to our performance letter, we request that you inform the general public and interested citizens' organizations and non-profit entities of its availability. If, for any reason, the City chooses not to do so, please be advised that our Office is obligated to make the letter available to the public. We appreciate your cooperation in this matter.

We look forward to continuing to work with you and members of your staff to accomplish Departmental goals and mutual objectives to develop viable urban communities. We would also be pleased to provide you with any information on resources that may be available to your community. If you need assistance, or if you have any questions concerning the content of this letter, please contact Nadab O. Bynum, Community Planning and Development Director, at (215) 861-7652. This Office may be reached via text telephone (TTY), by dialing (215) 656-3452.

Sincerely,



Brenda M. Laroche  
Deputy Regional Director

cc:  
Mr. Marty Mayes ✓